Case Study

HARVARD Kennedy School
Government Performance Lab

Addressing Upstream Factors: Reducing the Number of Michigan Children in Congregate Care

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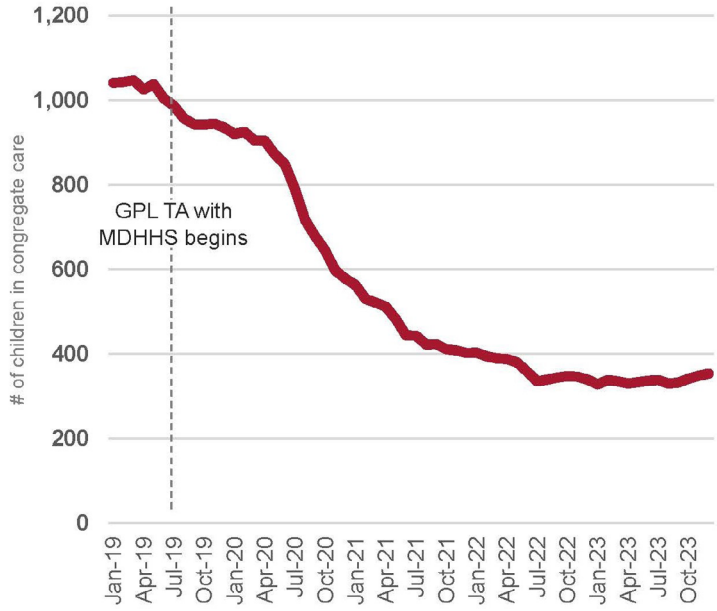
In 2019, among children in out-of-home care in Michigan, 8% were in group or institutional settings — in line with national averages at the time.[1] Officials wanted to further reduce the number of children living in these congregate care settings and instead have children be cared for in family-based settings.

This case study demonstrates how child welfare leaders in the Michigan Department of Health and Human Services (MDHHS), with support from the Harvard Kennedy School Government Performance Lab (GPL), **reduced the number of children in congregate care from more than 1,000 in 2019 to fewer than 400 in 2023,** in part by addressing upstream factors.

Key result: Michigan reduced the number of children in congregate care settings by 50% since 2019.



Agency leaders made this a focus because they know when children live with their parents, or, when in out-of-home care, with relatives or fictive kin or in foster homes, they are healthier, happier, and more likely to thrive than if they had been placed in congregate care.[2]

There is growing consensus among researchers and practitioners that children should only be placed in congregate care settings, such as residential treatment programs or group homes, when alternatives are not possible and children need short-term, intensive services to treat complex clinical or behavioral needs.[3]

However, many experts believe that too many children continue to be placed in congregate care settings that are inappropriate for them.[4] High congregate care placement rates can have a disparate impact on Black and Native American youth, who are often overrepresented in these settings.[5] Congregate care is also costly, tying up funding that could otherwise be used to strengthen investments in community-based services or supports for children and families.[6]

Identifying the challenge: Drivers of congregate care entries

Efforts to reduce congregate care placements often focus on the moment when that placement decision is being made. In line with this focus, MDHHS leaders expanded the role of a centralized Regional Placement Unit to oversee all placements made in residential settings statewide, enhanced the director's approval processes to strengthen residential referral review and diversion strategies, and strengthened team decision-making models in casework practice.

MDHHS leaders also wanted to explore additional intervention points further upstream. MDHHS leaders and staff, including practice and clinical experts, worked with the GPL to analyze placement data and conduct case reviews for a cohort of children that had first entered congregate care settings in 2018. They reviewed information on child characteristics and needs, initial entry to care, service referrals and utilization, placement duration and stability, and referral to congregate care.

The team learned that existing interventions designed to strengthen placement stability and treat children's more intensive mental and behavioral health needs were not always being fully utilized prior to caseworkers referring children to congregate care. Agency leaders also hypothesized that providing additional supports and services to children and their caregivers might help more children succeed in family-based settings, which led leaders to two intervention points:

"My goal in Michigan was to transform the child welfare system by moving our efforts upstream instead of constantly reacting to crises. Focusing on mental health services and kin placements at the same time helped us make a real difference. Now, more children are living with families where we know they are most likely to thrive."

— JooYeun Chang, *Former Senior Deputy Director, Michigan Department of Health and Human Services' Children's Services Administration, 2019-2021.*

- **Intervention Point 1: Strengthen children's access to high-quality, community-based behavioral health services** while in family-based placements. These supports might prevent escalating behaviors that can precede placement breakdown and entry to congregate care.[7]
- **Intervention Point 2: Increase placements with and supports for kin caregivers**, where children experience more stability, fewer placement moves, and better behavioral and mental health outcomes compared with children in non-kin settings.[8]

Agency leaders hoped that increasing access to behavioral health services for children in family-based settings and strengthening kin search would reduce future congregate care entries. They also believed these investments could accelerate step-downs from current congregate care placements to family-based settings.

Intervention Point 1: Strengthen children's access to high-quality, community-based behavioral health services

From a diagnostic review of new entries to congregate care settings, Michigan agency leaders found that approximately two-thirds of children first entered congregate care following placements with kin or foster families, suggesting that children's needs had initially been considered appropriate for care in family-based settings.

While children's escalating behavioral and mental health needs often preceded these congregate care entries, in many cases, children were not able to access and engage in services through their local community mental health provider prior to being referred to congregate care. This highlighted an opportunity to strengthen referral processes and build capacity within the community-based service array so more children could successfully access services that might help them remain in family-based settings.

Examples of Michigan's upstream solutions:

Strengthen screening and referral pathways to streamline service access

- MDHHS staff established clearer expectations for caseworkers to conduct a trauma screening at the start of every child's placement, and if needed, make a referral for behavioral health services. They also developed new trainings and **streamlined existing referral procedures** to make these steps easier for caseworkers to complete. In two counties piloting the new processes with GPL assistance, 50% more children were connected to community mental health services within their first month of entering care, and placement disruptions during children's first six months in care declined by more than 20%, when compared with prior rates.
- Agency leaders also designed processes for reviewing whether community-based mental and behavioral health services had been utilized before approving children's placement in congregate care, and if not, working to **quickly connect children and caregivers to those services.** In four counties piloting this process with GPL assistance, entries to congregate care declined by 50%: twice the improvement when compared with the rest of the state during the same period.

Increase array of community-based behavioral health services for children

- Michigan state officials **expanded a Medicaid waiver program** for children with serious emotional disturbance (SED), increasing access to care for children with the highest needs statewide.
- Agency leaders also piloted an **enhanced treatment foster care model** where a team provides intensive supports within an existing home-based placement, which could help prevent a congregate care placement.
- Leaders also made **new investments to expand the service array for children**, including mobile crisis services and wraparound supports.

Intervention Point 2: Increase placements with and supports for kin caregivers

Leaders also found that when children were placed with kin, they were less than half as likely to experience a placement change during their first six months, when compared with children placed with foster families, even though kin caregivers often had access to fewer supports. This insight suggested that placing more children with kin might reduce the likelihood of disruptions that could precede congregate care entry.

In addition, in some cases when a referral to congregate care was being considered for a child, staff were able to quickly put additional resources and supports in place that helped to preserve existing kin placements. These efforts suggested that strengthening targeted supports for kin caregivers might help sustain more of these placements.

Examples of Michigan's upstream solutions:

Improve search and engagement efforts to increase kin placements

- MDHHS staff developed new, kin-focused processes and tools to **support caseworkers to identify and engage potential kin caregivers early on**. With GPL support, these efforts included increasing completion of genograms or family "maps," elevating family voice in decision-making by convening family-involved meetings prior to placement, and developing conversation guides for caseworkers to engage with children and family members about their preferences. Michigan officials also expanded the range of relationships legally considered "kin" to include fictive kin.[9] After these process and policy changes, the share of children placed with kin upon entry to out-of-home care increased by 10 percentage points across the state.
- Some local MDHHS offices piloted the creation of **"kin specialist" roles.** These staff members focused on kin search for children entering care or when a placement disruption was anticipated.

Increase supports for kin caregivers to reduce placement disruptions

- MDHHS staff designed new **orientation sessions** tailored to the experience of kin caregivers. These allowed staff to share essential information about navigating the child welfare system, resources on managing family relationships, and expectations for parent visitation.
- Michigan state officials also **increased stipends for kin caregivers** to match the financial assistance already provided to licensed foster parents, reducing financial stressors that might prevent kin caregivers from being able to care for children.
- With GPL support, MDHHS staff created and piloted a new tool — **a checklist paired with a resource guide** — to more proactively identify needs and connect kin caregivers to relevant resources or supports. In counties using this tool alongside other efforts, placement changes occurring within the first three months of placement with kin decreased by 30%.
- Agency leaders also provided funding to support a **Kinship Care Resource Center**, including a caregiver hotline offering resource navigation support (e.g., connections to legal services, respite care, peer support groups.)

Key Lessons

MDHHS leaders learned that addressing upstream interventions could help further reduce congregate care entries at multiple points: 1) Fewer children enter congregate care for the first time, 2) More children leave congregate care, and 3) Fewer children reenter congregate care.

For child welfare leaders in other jurisdictions, the GPL offers the following six lessons learned from Michigan's efforts to increase behavioral health supports and kin placements:

1. Adequately supporting children's behavioral and mental health needs in their homes can help prevent removal. For children in out-of-home care, access to services and supports can help prevent escalating behaviors that may precede congregate care entry.
2. If children do enter out-of-home care, a comprehensive kin search and robust caregiver supports may result in more children placed in family settings instead of congregate care. Kin placements offer children more stability and may reduce the likelihood of future placement disruptions.
3. While children are in congregate care, engagement with community-based behavioral health providers can help children prepare for more stable transitions as well as speed up the time to reunification or step down to family-based settings.
4. Search for kin caregivers should continue while children are in congregate care, creating more opportunities for children to step down to a family-based setting with a strong support network in place.
5. When children exit congregate care, eliminating a "cliff" or gap in behavioral or mental health services can promote more successful family reunification or step down to family-like settings.
6. When step-down occurs, placement with kin caregivers who are offered comprehensive supports can provide more stability and better behavioral and mental health outcomes for children.

"Kinship care keeps families together. We believe children should be placed with relatives or close family friends whenever possible. These connections are vital to children's physical and emotional well-being. In Michigan, we have strengthened our processes and policies to increase and support these kin placements, as well as proactively connect children and their caregivers to community-based services at the first moment they need help — which helps us keep children with their kin."

*— **Demetrius Starling,** Senior Deputy Director, Michigan Department of Health and Human Services' Children's Services Administration.*

Notes

1. U.S. Department of Health and Human Services, Administration for Children & Families, Administration on Children, Youth and Families, Children's Bureau, "The Adoption and Foster Care Analysis and Reporting System Report," August 22, 2019, https://www.acf.hhs.gov/sites/default/files/documents/cb/afcarsreport26.pdf.

2. Dongdong Li, Grace S. Chng, and Chi Meng Chu, "Comparing Long-Term Placement Outcomes of Residential and Family Foster Care: A Meta-Analysis," Trauma, Violence, & Abuse 20, no. 5 (August 31, 2017): 653–64, https://doi.org/10.1177/1524838017726427; Marinus H. van IJzendoorn et al., "Institutionalisation and Deinstitutionalisation of Children 1: A Systematic and Integrative Review of Evidence Regarding Effects on Development," *The Lancet Psychiatry* 7, no. 8 (August 1, 2020): 703–20, https://doi.org/10.1016/S2215-0366(19)30399-2.

3. Children's Bureau, Administration for Children and Families, U.S. Department of Health and Human Services, "A National Look at the Use of Congregate Care in Child Welfare," 2015, updated June 27, 2023, https://www.acf.hhs.gov/sites/default/files/documents/cb/cbcongregatecare_brief.pdf; Mary Dozier et al., "Consensus Statement on Group Care for Children and Adolescents: A Statement of Policy of the American Orthopsychiatric Association," *American Journal of Orthopsychiatry* 84, no. 3 (2014): 219–25, https://doi.org/10.1037/ort0000005; Sarah Fathallah and Sarah Sullivan, "Away From Home: Youth Experiences of Institutional Placements in Foster Care," Think of Us, July 21, 2021, https://www.thinkofus.org/case-studies/away-from-home.

4. Ibid.

5. Clayton C. Covington, Sarah Sernaker, and Christopher Wildeman, "The Cumulative Prevalence of Congregate Care Placement for U.S. Children by Race/Ethnicity, 2019," *Child Maltreatment* 28, no. 4 (October 2, 2022): 107755952211254, https://doi.org/10.1177/10775595221125456.

6. The Annie E. Casey Foundation, "Rightsizing Congregate Care: A Powerful First Step in Transforming Child Welfare Systems," The Annie E. Casey Foundation, January 1, 2009, https://www.aecf.org/resources/rightsizing-congregate-care.

7. Carolien Konijn et al., "Foster Care Placement Instability: A Meta-Analytic Review," *Children and Youth Services Review* 96 (January 2019): 483–99, https://doi.org/10.1016/j.childyouth.2018.12.002; Gregory A. Aarons et al., "Behavior Problems and Placement Change in a National Child Welfare Sample: A Prospective Study," *Journal of the American Academy of Child & Adolescent Psychiatry* 49, no. 1 (January 1, 2010): 70–80, https://doi.org/10.1016/j.jaac.2009.09.005; David L. Hussey and Shenyang Guo, "Forecasting Length of Stay in Child Residential Treatment," *Child Psychiatry and Human Development* 36, no. 1 (September 2005): 95–111, https://doi.org/10.1007/s10578-004-3490-9.

8. Jennifer Osborne et al., "Placement Stability among Children in Kinship and Non-Kinship Foster Placements across Multiple Placements," *Children and Youth Services Review* 126 (July 2021): 106000, https://doi.org/10.1016/j.childyouth.2021.106000; Qi Wu, Kevin R. White, and Kanisha L. Coleman, "Effects of Kinship Care on Behavioral Problems by Child Age: A Propensity Score Analysis," *Children and Youth Services Review* 57 (October 2015): 1–8, https://doi.org/10.1016/j.childyouth.2015.07.020.

9. "Children: Child Care; Definition of Relative in the Child Care Organizations; Revise. Amends Sec. 1 of 1973 PA 116 (MCL 722.111).," H.B. 6073, 101st Sess., (Michigan 2022), https://www.legislature.mi.gov/documents/2021-2022/billenrolled/House/pdf/2022-HNB-6073.pdf.

The Government Performance Lab, housed at the Taubman Center for State and Local Government at the Harvard Kennedy School, conducts research on how governments can improve the results they achieve for their citizens. An important part of this research model involves providing hands-on technical assistance to state and local governments. Through this involvement, we gain insights into the barriers that governments face and the solutions that can overcome these barriers. By engaging current students and recent graduates in this effort, we are also able to provide experiential learning.

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